

risk of the shippers, or go into a joint stock concern, on account and risk of the company, each member thereof realizing profit or suffering loss in proportion to the amount he invested in the adventure. Both steamers and cargoes are often, if not generally, insured in England "to go to America with liberty to run the blockade."*

The views of Her Majesty's Government were set forth in a letter from Earl Russell to Mr. Adams:—

"With regard to the 'systematic plan' which you say has been pursued by Her Majesty's subjects 'to violate the blockade by steady efforts,' there are some reflections which I am surprised have not occurred to you.

"The United States' Government, on the allegation of a rebellion pervading from nine to eleven States of the Union, have now for more than twelve months endeavoured to maintain a blockade of three thousand miles of coast. This blockade, kept up irregularly, but when enforced, enforced severely, has seriously injured the trade and manufactures of the United Kingdom. Thousands of persons are now obliged to resort to the poor-rate for subsistence, owing to this blockade. Yet Her Majesty's Government have never sought to take advantage of the obvious imperfections of this blockade, in order to declare it ineffective. They have, to the loss and detriment of the British nation, scrupulously observed the duties of Great Britain towards a friendly State. But when Her Majesty's Government are asked to go beyond this, and to overstep the existing powers given to them by municipal and international law for the purpose of imposing arbitrary restrictions on the trade of Her Majesty's subjects, it is impossible to listen to such suggestions. The ingenuity of persons engaged in commerce will always, in some degree, defeat attempts to starve or debar from commercial intercourse an extensive coast inhabited by a large and industrious population.

"If, therefore, the Government of the United States consider it for their interest to inflict this great injury on other nations, the utmost they can expect is that European Powers shall respect those acts of the United States which are within the limits of the law. The United States' Government cannot expect that Great Britain should frame new statutes to aid the Federal blockade, and to carry into effect the restrictions on commerce which the United States, for their own purposes, have thought fit to institute, and the application of which it is their duty to confine within the legitimate limits of international law."†

It is hardly worth while to dwell on the attempts made to show partiality and unfair conduct on the part of the authorities at Nassau. A Mr. Heyliger appears to have been sent there as the Agent of the Confederates, and a letter from him to the Confederate Government of December 27, 1861, is quoted in the Case of the United States,‡ in which it is said, "We have succeeded in obtaining a very important modification of the existing laws, viz., the privilege of breaking bulk and transhipment." It is said in the Case of the United States—

"That modification was all that the insurgents wanted. That privilege converted the port of Nassau into an insurgent port, which could not be blockaded by the naval forces of the United States. Further stay of the United States' vessels of war was therefore useless. The United States ask the Tribunal to find that this act, being a permission from the British authorities at Nassau, enabling a vessel chartered by the insurgents, and freighted with articles contraband of war, to diverge from its voyage, and to tranship its cargo in a British port when not made necessary by distress, was a violation of the duties of a neutral."

I pass by the admission contained in this passage that Nassau was being used by the United States' vessels of war as a post of observation for the detection and pursuit of vessels carrying contraband of war to the South; in other words, as a base of naval operations.

The explanation of the passage in Mr. Heyliger's letter, which I find in the British Counter-Case and Appendix, is simple enough. The Customs Regulations of the Colony forbade the transhipment of goods in its ports or waters, unless they were landed for examination by the Customs officers. There was nothing however to prevent their being at once re-shipped in other vessels after being so landed and examined, and the Receiver-General of the Colony had power to grant permission for dispensing with the landing of the goods if he thought fit. It would seem that this permission had been customarily granted, as a matter of course, in the case of goods in transit. In conformity with this practice Messrs. Adderley and Co., of Nassau, applied to the Receiver-General, shortly before the date of Mr. Heyliger's letter, for permission to tranship the cargo of the *Eliza Bonsell*, stated to consist of assorted merchandize, to another vessel, the *Ella Warley*, bound ostensibly for St. John's, New Brunswick.

The Receiver-General, having regard probably to the destination of the *Ella Warley*, St. John's being the port for which blockade-running vessels were in the habit of taking clearances, refused to give the usual permission unless authorized by the Governor. Thereupon Messrs. Adderley wrote to the Governor explaining that all they asked for was to be dispensed from the formality of landing the goods on the wharf, and

* United States' Documents, vol. i, p. 731.

† Ibid., p. 723.

‡ Page 226.